

2003 Republican Medicare Conference Report

Premium	\$35 (estimate) (\$420 per year)
Deductible	\$275
Co-insurance	25% for \$251-2,200
Out-of-Pocket Maximum	\$3,600 (but not really, because you still pay 5% copayment once in catastrophic coverage)
Coverage Gap	\$2,800 gap (for drug costs between \$2,200 to \$5,043, there is no coverage)

Costs/Savings Chart

If your income is above 150% of the federal poverty line and your drug costs are...	You will pay ... <i>[including premiums & deductible]</i>
\$500/yr.	pay: \$ 751..... 150.2% save: - \$ 251..... -50.2%
\$1,000/yr	pay: \$ 876..... 87.6% save: \$ 124..... 12.4%
\$2,000/yr	pay: \$ 1,126..... 56.3% save: \$ 874..... 43.7%
\$5,000/yr	pay: \$ 3,976..... 79.5% save: \$ 1,024..... 20.5%
\$6,000/yr	pay: \$ 4,068..... 67.7% save: \$ 1,932..... 32.3%

According to CBO ...

10% of seniors spend \$0 on Rx Drugs;
83% spend between \$1 and \$5,999; and
... only 7% spend over \$6,000.*

[* These numbers are based on those in Medicare's fee-for-service sector.]